

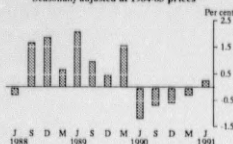
Statistics Weekly

Thursday, 12 September 1991

The week in statistics ...

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QUARTERLY CHANGE IN GDP(P)
Seasonally adjusted at 1984-85 prices



Production-based GDP spurred on by primary industries

Assisted by significant growth in primary industries, production-based gross domestic product (GDP(P)) grew by 0.3 per cent in the June quarter 1991. This was the first increase since March quarter 1990. However, the trend estimate decreased slightly by 0.1 per cent, the fifth successive quarterly decline. (All the statistics referred to in this article, unless otherwise stated, are after allowance has been made for seasonal influences and changes in prices, i.e. they are in seasonally adjusted constant price terms.)

The two other independent measures of GDP — income based (GDP(I)) and expenditure based (GDP(E)) — both fell by 1.0 per cent. As a consequence, the average of these three measures (GDP(A)), fell by 0.6 per cent in the June quarter.

GROSS PRODUCT, JUNE QUARTER 1991
Seasonally adjusted estimates at average 1984-85 prices

Industry	Gross product (\$ million)	Percentage change from	
		Previous quarter	Corresponding quarter of previous year
Manufacturing	10,519	-1.9	-6.9
Wholesale and retail	9,988	0.3	-2.3
Community services	7,953	0.6	3.2
Finance, property and business services	7,772	2.2	-1.0
Mining	5,143	4.7	-1.7
Construction	4,061	-1.6	-6.3
Transport and storage	3,185	-4.8	-3.0
Agriculture, forestry, fishing and hunting	2,717	4.4	7.7
Recreation, personal and other services	2,523	1.0	-1.5
Electricity, gas and water	2,441	-0.2	1.5
Public administration and defence	2,348	0.7	0.3
Communication	1,863	-3.2	2.6
Other (ownership of dwellings, import duties, etc.)	4,864	1.4	5.1
Gross domestic product (GDP(P))	65,377	0.3	-1.2

The growth in production-based GDP was mainly due to increases in:

- ☐ agriculture, forestry, fishing and hunting, up 4.4 per cent due mainly to higher meat production;
- ☐ mining, up 4.7 per cent, recovering much of the decline of the three previous quarters, largely as a result of increased iron ore and black coal production; and
- ☐ finance, property and business services, up 2.2 per cent after four consecutive quarters of decline. The increase resulted from growth in estimated employment in these industries (but it should be noted that movements in quarterly employment estimates can be quite volatile).

Although the growth in GDP(P) in the June quarter 1991 was largely due to the above industries, higher industry output was quite widespread. Seven of the twelve industry divisions recorded increases in the quarter, but generally from a low base.

On the negative side:

- a large fall in road transport more than wiped out increases in other sectors of the transport and storage industry, which recorded the largest drop in the June quarter (-4.8%) of all industry divisions;
- communication fell by 3.2 per cent, following very strong growth in the March quarter (7.1%);
- construction contracted for the seventh consecutive quarter, declining by 1.6 per cent. Production in this industry has now fallen to its lowest level since the September quarter 1987; and
- manufacturing production fell for the fifth successive quarter (-1.9%). Within the manufacturing division, transport equipment recorded the largest decline (-11.4%). This subdivision has slumped by 38.9 per cent since the March quarter 1990.

Trend estimates of market sector labour productivity (i.e. constant price gross product for the market sector per hour worked) grew by 1.4 per cent in the June quarter, following growth of 1.0 per cent in the previous quarter.

For further information, order the publication *Australian National Accounts: Gross Product, Employment and Hours Worked (5222.0)*, or contact Alan Tryde on (06) 252 6801.

Construction, real property slump leads commercial finance down

Commercial finance commitments made by significant lenders for the six months ending June 1991 totalled \$43,807 million, a decrease of \$4,014 million (8.4%) on the same period in 1990.

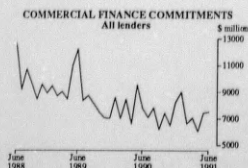
Commitments for commercial construction were down by almost 50 per cent on the same comparison and in the first half of 1991 were at their lowest monthly levels since the series began in January 1985.

These figures partly reflect a similar trend in building approvals data, which show that in recent months non-residential approvals have remained at low levels despite increases in the levels of residential building approvals.

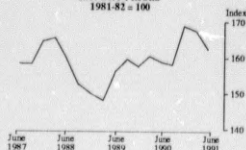
Commitments for the purchase of real property also showed a significant decline over the same period, down \$1466 million (29.3%).

Figures for the month of June showed a marginal (0.6%) rise in commercial financing, achieved despite a shorter reporting period for some banks in June compared with May.

For further information, order the publication *Commercial Finance, Australia (5643.0)*, or contact Abha Bedi on (06) 252 7117.



IMPORT PRICES
1981-82 = 100



Large fall in import prices

The Import Price Index fell by 3.0 per cent in the June quarter 1991, the largest quarterly fall in the index since the September quarter 1988.

World oil prices were once again the predominant cause of the fall. Other components such as machinery and transport equipment also contributed.

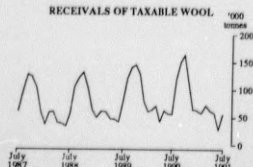
The strengthening of the Australian dollar against most of the major trading currencies, except the US dollar, also contributed to the overall decrease in the index.

IMPORT PRICES, JUNE QUARTER 1991

Selected items	Percentage change	
	From previous quarter	From corresponding quarter of previous year
Chemicals	-0.2	3.8
Machinery and transport equipment	-2.2	3.2
Manufactured goods	0.1	2.6
Miscellaneous manufactured goods	-0.9	2.5
Food and live animals	0.7	-0.5
Mineral fuels	-23.2	-1.8
Crude materials	-1.2	-6.6
All items	-3.0	2.2

For further information, order the publication Import Price Index, Australia (6414.0), or contact Geoff Brown on (06) 252 5348.

RECEIVALS OF TAXABLE WOOL



Wool receivals up after 10 year low

Receptions of taxable wool by brokers and dealers in July 1991 totalled 56,005 tonnes, a substantial increase on the abnormally low June figure of 28,093 tonnes, which was the lowest for the month of June in ten years. The receipts for July returned to the relatively constant figures evident in the earlier months of 1991. This increase can be attributed mainly to the lowering of the wool tax on 1 July 1991.

Slaughtering of all categories of livestock also increased in July when compared with the previous month, a substantial part of the increase being seasonal.

LIVESTOCK SLAUGHTERED, JULY 1991

	'000	Percentage change	
		From previous month	From corresponding month of previous year
Cattle	640	6.7	4.5
Sheep	1,131	11.0	4.2
Pigs	420	3.6	1.4
Lambs	1,279	10.5	-7.2
Calves	106	16.6	-20.9

In line with the increase in slaughterings, total red meat production increased by 6.3 per cent in July 1991 when compared with June 1991 although, on a seasonally adjusted basis this represents a decrease of 7.6 per cent. The total red meat production figure of 222,520 tonnes for July was almost identical to that for July 1990.

For further information, order the publication *Livestock Products, Australia* (7215.0), or contact Marion Long on (06) 252 5337.

A close look at our growing trade in services

Australia's increasingly important trade in services with the rest of the world is measured and analysed in a major annual Australian Bureau of Statistics' publication now available.

In 1989-90 exports of services (credits) totalled \$11,799 million, up 82 per cent since 1985-86, and imports of services (debits) totalled \$16,212 million, an increase of 56 per cent from 1985-86. The overall trade in services balance for 1989-90 was a deficit of \$4,413 million.

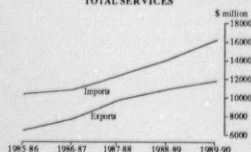
While this deficit was higher than in 1988-89, the services deficit as a proportion of the overall current account deficit declined from 27 per cent in 1985-86 to 20 per cent in 1989-90.

This information is taken from the publication *International Trade in Services, Australia, 1989-90*, released on 4 September, which contains results from the 1989-90 International Trade in Services Survey and associated surveys. They show that shipment services (largely freight on carriage of Australia's merchandise imports and exports) were the major contributor to the services deficit in 1989-90 with a deficit of \$2,734 million or 62 per cent of the overall services deficit.

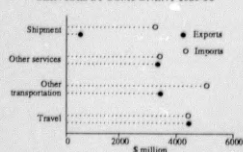
BALANCE OF PAYMENTS SUMMARY SERVICES ACCOUNT
\$ million

	1989-90			1987-88 Balance
	Exports	Imports	Balance	
Shipment	535	-3,269	-2,734	-2,319
Other transportation				
Passenger services etc.	1,504	-2,218	-714	-36
Port services etc.	1,942	-1,202	740	668
Travel				
Students' expenditure	829	-247	582	328
Other	3,634	-4,839	-1,205	-475
Other services				
Insurance services	24	-360	-336	-259
Telecommunications services	463	-568	-104	-126
Computer and information services	192	-184	8	n.a.
Agency and advertising services provided to international transport operators	519	-404	115	-70
Advertising services	66	-153	-87	-87
Legal services	117	-38	78	51
Engineering services	131	-309	-178	54
Management fees between related companies	178	-387	-209	n.a.
Other	1,665	-2,034	-369	n.a.
Total services	11,799	-16,212	-4,413	-2,596

TOTAL SERVICES



SERVICES BY COMPONENT 1989-90



Inquiries

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Suggestions

Any suggestions for improvement to this publication should be addressed to:

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(06) 252 6104

Statistics Weekly
12 September 1991

Other significant contributors to the services deficit were travel other than students' expenditure (\$1205 million), passenger services (\$714 million), insurance services (\$336 million), management fees between related companies (\$209 million) and telecommunications services (\$104 million).

Conversely, a number of services categories recorded significant surpluses in 1989-90, including port services etc. (\$740 million), students' expenditure (\$582 million), agency and advertising services provided to international transport operators (\$115 million) and legal services (\$78 million).

The publication also provides detailed information on Australia's royalties transactions and an extensive analysis of Australia's trade in services, as well as an article which specifically looks at Australia's trade in computer merchandise, services and royalties.

For further information, order the publication International Trade in Services, Australia (5354.0), or contact Robert Boyle on (06) 252 6069.

Agriculture in brief...

The total area of farming land is still declining, with an area of 464 million hectares for 1990-91 against 467 million hectares in 1989-90. The area under crops increased by 314 thousand hectares (1.9%) to 17.3 million hectares.

Wheat for grain area increased by 232 thousand hectares; oats decreased in area by 38 thousand hectares; barley for grain area rose by 200 thousand hectares; plantings of safflower decreased by 16 thousand hectares; and plantings of sunflower increased by 89 thousand hectares.

Source: Selected Agricultural Commodities, Australia, 1990-91, Preliminary (7112.0).

All the week's releases: 4 to 10 September

General

Australian Standard Classification of Occupations (ASCO) — Expert Coding System: Occupation Level (Floppy Disk) (1226.0; annual lease \$600.00)
Statistics Weekly, 5 September 1991 (1318.0; \$4.00)
Small Business in Australia, 1990 (1321.0; \$20.00)
Economic Indicators, Vic., August 1991 (1307.2; \$6.00)

National accounts, finance and foreign trade

Australian National Accounts: Gross Product, Employment and Hours Worked, June Qtr 1991 (5222.0; \$9.00)
International Trade in Services, Aust., 1989-90 (5354.0; \$20.00)
Commercial Finance, Aust., June 1991 (5643.0; \$5.50)

Labour statistics and prices

Average Retail Prices of Selected Items, Eight Capital Cities, June Qtr 1991 (6403.0; \$5.50)
Import Price Index, Aust., June Qtr 1991 (6414.0; \$9.00)
House Price Indexes: Eight Capital Cities, June Qtr 1991 (6416.0; \$25.00)

Continued ...

Agriculture

Livestock Products, Aust., July 1991 (7215.0; \$7.00)

Secondary industry and distribution

Manufacturing Production, Aust.: Clothing and Footwear, June 1991 (8358.0; \$10.00)

Manufacturing Production, Aust.: Fibres, Yarns, Fabrics, Bedding and Floor Coverings, June 1991 (8360.0; \$10.00)

Census of Mining Establishments: Summary of Operations by Industry Class, Aust., 1989-90, Preliminary (8401.0; \$10.00)

Construction Industry, Aust.: Summary of Private Sector Operations, 1988-89 (8771.0; \$20.00)

Building Approvals, NSW, July 1991 (8731.1; \$10.00)

Building Approvals, Qld, July 1991 (8731.3; \$10.00)

Dwelling Unit Commencements Reported by Approving Authorities, SA, June 1991 (8741.4; \$10.00)

Transport

Motor Vehicle Registrations, Vic., July 1991 (9303.2; \$10.00)

Calendar of key releases

Expected releases over the fortnight to 24 September 1991

September

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Retail Trade, Australia, July 1991 (8501.0; \$10.00)

Building Activity, Australia: Dwelling Unit Commencements, June Quarter 1991, Preliminary (8750.0; \$10.00)

12

The Labour Force, Australia, August 1991, Preliminary (6202.0; \$10.00)

Average Weekly Earnings, States and Australia, May 1991 (6302.0; \$10.00)

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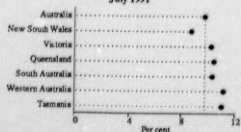
Export Price Index, Australia, July 1991 (6405.0; \$7.50)

The latest ...

Changes to key State indicators — consolidated to 10 September 1991

	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
— Percentage change from same period previous year —									
New capital expenditure (Mar. qtr 91)*	-8.4	-22.7	0	-8.9	-7.0	-16.9	n.a.	n.a.	-10.2
Retail turnover (June 91) (trend estimate)	2.0	-1.0	3.2	5.7	0.5	3.5	n.a.	9.7	1.6
New motor vehicle registrations (July 91)†	-15.7	-41.8	-17.7	-11.9	-1.6	-8.1	-16.1	18.0	-20.9
Number of dwelling unit approvals (July 91)	26.5	11.3	13.6	7.3	16.3	-6.3	66.7	77.6	17.3
Value of total building work done (Mar. qtr 91)	0.8	-30.2	-19.5	2.7	-23.2	-18.8	33.5	-4.2	-13.5
Employed persons (July 91)†	-2.9	-7.1	-1.8	-4.4	-3.4	-2.7	-2.2	0.6	-3.9
Capital city consumer price index (June qtr 91)	2.8	4.1	3.4	4.7	2.2	3.8	4.1	3.2	3.4
Average weekly earnings (full-time adult ordinary time) (Feb. 91)	7.4	7.4	7.5	8.8	8.8	4.4	7.6	6.7	7.5
Population (Dec. 90)	1.1	1.3	2.3	1.1	2.2	1.1	1.2	2.5	1.5
Room nights in licensed hotels and motels, etc (Mar. qtr 91)	0.0	-1.9	-0.9	-6.4	-1.2	7.7	0.2	14.5	-0.5

* Seasonally adjusted except for NT and ACT. † Seasonally adjusted except for Tas., NT and ACT.

UNEMPLOYMENT RATE
Seasonally adjusted
July 1991

Key national indicators – consolidated to 10 September 1991

		Period	Latest figure available		Percentage change (a) on		
			Original	Seasonally adjusted	Previous period	Corresponding period last year	
National production							
Gross domestic product	— current prices	\$m	June qtr 91	92,362	93,956	-1.2	-1.2
	— 1984-85 prices			62,148	63,912	-1.0	-2.4
Industrial activity							
New capital expenditure	— current prices	\$m	June qtr 91	6,304	6,011	-8.9	-13.4
	— 1984-85 prices			4,808	4,577	-8.2	-13.4
Expected new capital expenditure		"	Six months to Dec. 91	12,756	n.a.	n.a.	-18.5
Retail turnover	— current prices (e)	"	June 91	7,052.1	7,500.9	-0.1	1.9
	— 1984-85 prices (e)	"	June qtr 91	14,564.1	15,045.8	-1.0	-2.2
New motor vehicle registrations		no.	July 91	46,421	42,794	3.6	-20.9
Dwelling unit approvals		"	July 91	12,740	12,024	17.8	13.5
Value of all building approvals		\$m		1,907	1,989	16.9	11.5
Value of total building work done	— current prices	"	Mar. qtr 91	6,021	6,653	-5.1	-12.0
	— 1984-85 prices	"		3,789	4,112	-6.9	-15.0
Manufacturers' sales	— current prices	"	Mar. qtr 91	31,937	34,424	-1.9	-4.7
	— 1984-85 prices	"		22,162	23,833	1.5	-7.0
Expected manufacturers' sales		"	Three months to June 91	34,850	n.a.	n.a.	-6.2
Labour							
Employed persons (f)		'000	July 91	7,624.1	7,622.7	-1.1	-3.9
Unemployment rate † (f)		%	"	9.5	9.8	0.5	2.9
Participation rate † (f)		"	"	62.4	62.6	-0.4	-1.6
Job vacancies		'000	May 91	25.1	25.7	-13.4	-49.8
Average weekly overtime per employee		hours	"	1.1	1.1	-5.9	-18.8
Prices, profits and wages							
Consumer price index	1980-81 = 100.0	June qtr 91	214.4	n.a.	0.1	3.4	
Price index of materials used in manufacturing industries	1984-85 = 100.0	June 91	120.4	n.a.	2.2	3.3	
Price index of articles produced by manufacturing industry	1988-89 = 100.0	May 91	110.8	n.a.	0.3	1.8	
Company profits before income tax	\$m	June qtr 91	2,469	2,697	7.4	-23.1	
Average weekly earnings (Full-time adults; ordinary time) (f)	\$	May 91	560.20	n.a.	-0.7	4.9	
Interest rates (b) (monthly average)							
90-day bank bills †	% per annum	June 91	10.50	n.a.	0.15	-4.60	
10-year Treasury bonds †		"	11.15	n.a.	0.40	-2.25	
Balance of payments							
Exports of merchandise	\$m	July 91	4,591	4,604	2.1	5.1	
Imports of merchandise		"	4,572	4,234	6.6	2.0	
Balance on merchandise trade (c)		"	19	370	-31.1	63.0	
Balance of goods and services (c)		"	-430	60	-80.2	n.a.	
Balance on current account (c)		"	-1,526	-1,079	-6.2	-2.1	
Terms of trade (d)	1984-85 = 100.0	June qtr 91	n.a.	100.2	1.2	-5.2	
Foreign investment							
Net foreign debt	\$m	30 June 91	130,314	n.a.	-2.4	2.9	
Net foreign liabilities		"	176,625	n.a.	1.6	6.6	
Exchange rates (monthly average)							
\$/US	per SA	July 91	0.7711	n.a.	1.4	-2.7	
Trade weighted index	May 1970 = 100.0	"	60.0	n.a.	1.4	-1.8	
Other indicators							
Population (resident at end of qtr)	million	Dec. 90	17.2	n.a.	0.4	1.5	
Overseas visitor arrivals (f)	'000	Mar. 91	189	175	-1.6	-3.3	

(a) Based on seasonally adjusted figures where available. (b) Source: Reserve Bank of Australia. (c) For percentage changes, a minus sign indicates an increase in the deficit; no sign means a decrease in the deficit or an increase in the surplus. (d) The ratio of the price of goods and services for exports to that for imports. (e) Later figures expected to be released Wednesday, 11 September 1991. (f) Later figures expected to be released Thursday, 12 September 1991. NOTES: † = change is shown in terms of percentage points. n.a. = not available. Figures have been taken from a variety of ABS publications. Copies may be obtained from Information Services (see page 6). Some of the figures shown are preliminary, some final, and some are revisions of previously published figures. Users should check the latest relevant publication or with the ABS Information Services if the status of the statistic is important.

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